■ G.M.'S ROGER SMITH TALKS BACK TO HIS CRITICS ■

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AUGUST 18, 1986 $3.50

FORTUNE

WHY WOMEN ARE BAILING OUT

Many of the best are quitting corporate management. And not just to have children.

Having left IBM, Janie Witham, MBA '76, is happier at home and working part time

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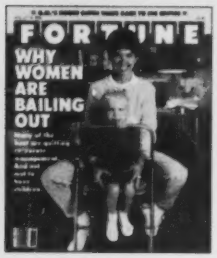

George Lange's cover subject posed at home in Michigan, where she runs a part-time consulting and computer programming business and cares for daughter Kyle, 2. See page 16.

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One out of four of the best women MBAs, class of '76, have quit the managerial work force. *by Alex Taylor III*

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Companies are paying these experts up to $10,000 a day to help improve their products. If only the wise men could agree on how. *by Jeremy Main*

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Anti-obesity compounds that have few side effects could mean new hope for the hefty, and fat profits for drug makers. *by Kenneth Labich*

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It took six years, and Gareth C.C. Chang of McDonnell Douglas had to promise a lot more than planes. *by Louis Kraar*

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They had a knockout year—the best since 1981. Still champion: GM.

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THE 50 LEADING EXPORTERS

General Motors was No. 1 for the fourth time, and Boeing's exports soared 62%. The dollar's crushing strength last year made selling overseas remarkably tough, and U.S. exports fell. Yet FORTUNE's 50 delivered their best performance in four years.

AMERICAN EXPORTERS detest a strong dollar, and for much of last year the dollar was at its mightiest in decades. Easily detestable result: Total U.S. exports fell 2.2%. Yet the top 50 exporters overpowered the superbuck and delivered a knockout performance. Their exports increased 9%—the biggest jump in four years.

General Motors was the biggest exporter for the fourth straight year, increasing its exports 22% to $8.9 billion. Ford was No. 2, Chrysler No. 6. All three benefited by producing more cars in Canada, where sales of trucks and big cars rose. The companies rack up exports when they ship parts to their Canadian subsidiaries, which assemble the parts and sell the cars.

The biggest increase among the top ten: Boeing, which led the list in 1981. It boosted exports 62% largely by delivering two-thirds more airplanes last year than in 1984, including three AWACs to Saudi Arabia and 24 Boeing 747s to the booming Asian market. Industry experts credit Boeing's upswing partly to U.S. airline deregulation. That revolution lowered fares and expanded service on overseas routes, forcing many foreign carriers to upgrade or enlarge their fleets. The same forces lifted McDonnell Douglas, which increased exports 25% (for a report on one big deal, see the previous story). Because of the long lead time in plane building, most contracts protect manufacturers from currency swings by specifying payment in dollars.

Four of the six new entries on this year's list are computer companies. Contrary to analysts' predictions, computer sales did not soften overseas. European and Asian manufacturers, gearing up to take advantage of the strong dollar and export to the U.S., needed scientific and engineering technology. Enter Control Data and Prime Computer, major producers of equipment for computer-aided design and manufacturing. Prime Computer (No. 49) gets 47% of its sales from overseas, a greater proportion than any other company on the list. "We want a 50% split between the U.S. and overseas markets," says Joe Gavaghan, a spokesman for Prime. "That way we avoid severe hits from economic swings."

Wang increased exports of computers and Tektronix shipped more work stations, mainly to Europe. Burroughs (No. 37) appeared to lose ground last year, but its 11% export drop was partly self-imposed. To reduce inventory costs overseas, it cut back the amount of equipment it sold to foreign affiliates.

In 16 cases exporters on FORTUNE's list sold less overseas than they had the previous year, compared with 12 who lost ground on last year's list. Worst hit was Archer Daniels Midland (No. 30), which blames the 25% drop in its foreign sales on the strong dollar, falling commodity prices, and increased overseas competition. The company, a food conglomerate that is a major processor of vegetable oils, ran into trouble when Malaysian factories, which are government subsidized, flooded the market with cheap palm oil. Aluminum Co. of America (No. 47) lost 22% of its exports for similar reasons. For the past few years government-subsidized smelters overseas have been glutting the market with cheap aluminum ingots, forcing the price down 16%. Kaiser Aluminum's exports fell so low Kaiser dropped off the list.

A long-term strategy has worked for Dresser Industries (No. 27), a construction-equipment maker: It cultivated the Chinese market and waited patiently for it to grow. Dresser went into the People's Republic in 1972 but had to wait five years for its first order. Last year sales to China boosted Dresser's exports by $150 million.

Despite the success of the top 50 exporters, the U.S. trade deficit last year reached $148.5 billion, up 20% from 1984. That has prompted bills in Congress that would restrict imports—and hurt many exporters. For example, Amoco (No. 41) increased its exports 96% last year by selling Asian companies the chemicals needed to produce polyester fiber. Far Eastern producers sold the material to Asian apparel manufacturers, who export their wares to the U.S. Says Dresser Industries Chairman John Murphy: "We don't need any encouragements. We just need to be reasonably confident that Congress isn't going to pull the rug out from under us with protectionist bills." His reason: "They'd be reciprocated." Now that the dollar has tumbled, U.S. exporters should have a good year unless Congress messes up their act.

— Barbara C. Loos

THE FORTUNE DIRECTORY OF THE LARGEST U.S. INDUSTRIAL EXPORTERS

RANK '83	RANK '84	COMPANY	PRODUCTS	EXPORTS $000	PERCENT CHANGE 1984-1985	FORTUNE 500 SALES $000	FORTUNE 500 RANK	EXPORTS AS PERCENT OF SALES PERCENT	EXPORTS AS PERCENT OF SALES RANK
1	1	**General Motors** (Detroit)	Motor vehicles & parts, locomotives, diesel engines	8,893,800	22.23	96,371,700	1	9.23	35
2	2	**Ford Motor** (Dearborn, Mich.)	Motor vehicles & parts	6,747,000	11.69	52,774,400	4	12.78	27
3	4	**Boeing** (Seattle)	Commercial & military aircraft	5,861,000	61.86	13,636,000	21	42.98	2
4	3	**General Electric** (Fairfield, Conn.)	Aircraft engines, generating equipment, locomotives	4,020,000	2.16	28,285,000	10	14.21	20
5	5	**International Business Machines** (Armonk, N.Y.)	Information processing systems & products	3,487,000	13.44	50,056,000	5	6.97	43
6	6	**Chrysler** (Highland Park, Mich.)	Motor vehicles & parts	2,977,900	10.01	21,255,500	13	14.01	21
7	9	**McDonnell Douglas** (St. Louis)	Aircraft, missiles, space & information systems	2,668,300	25.06	11,477,700	29	23.25	7
8	7	**E.I. du Pont de Nemours** (Wilmington, Del.)	Chemicals, fibers, polymer & energy products	2,575,000	−2.83	29,483,000	9	8.73	38
9	8	**United Technologies** (Hartford)	Aircraft engines, helicopters, air-conditioning equip.	2,127,069	−10.92	15,748,674	16	13.51	23
10	11	**Caterpillar Tractor** (Peoria, Ill.)	Construction equipment, diesel engines & turbines	1,928,000	9.05	6,769,000	52	28.48	3
11	10	**Eastman Kodak** (Rochester, N.Y.)	Photographic equipment & supplies	1,863,000	−4.41	10,631,000	33	17.52	15
12	12	**Hewlett-Packard** (Palo Alto, Calif.)	Computers, electronic equipment	1,424,000	0.28	6,505,000	58	21.89	8
13	13	**Digital Equipment** (Maynard, Mass.)	Computers, related peripheral equipment	1,373,578	20.91	6,686,316	55	20.54	9
14	17	**Philip Morris** (New York)	Tobacco, beverages, food products	1,100,000	4.46	12,149,000	27	9.05	36
15	14	**Westinghouse Electric** (Pittsburgh)	Generating equipment, defense systems	1,070,020	−5.23	10,700,200	32	10.00	32
16	15	**Union Carbide** (Danbury, Conn.)	Chemicals, industrial & high-technology products	1,065,000	−4.48	9,003,000	39	11.83	28
17	26	**Northrop** (Los Angeles)	Aircraft, electronic equipment	973,600	20.70	5,056,600	71	19.25	11
18	22	**Occidental Petroleum** (Los Angeles)	Fertilizers, agricultural products, coal	967,000	9.64	14,534,400	19	6.65	45
19	16	**Motorola** (Schaumburg, Ill.)	Semiconductors, communications equipment	957,000	−9.89	5,443,000	66	17.58	14
20	25	**Dow Chemical** (Midland, Mich.)	Chemicals, plastics, polymer products	908,000	6.70	11,537,000	28	7.87	39
21	18	**Exxon** (New York)	Petroleum, chemicals	904,000	−10.76	86,673,000	2	1.04	50
22	19	**Monsanto** (St. Louis)	Herbicides, chemicals, polymer products	902,000	−5.05	6,747,000	53	13.37	25
23	23	**General Dynamics** (St. Louis)	Tanks, aircraft, missiles, gun systems	876,700	−0.02	8,410,600	42	10.42	31
24	27	**Raytheon** (Lexington, Mass.)	Electronic defense systems, aircraft	861,000	9.82	6,408,537	60	13.44	24
25	24	**Weyerhaeuser** (Tacoma, Wash.)	Logs, pulp, paperboard, newsprint, lumber	793,000	−8.96	5,205,579	68	15.23	18
26	29	**ITT** (New York)	Logs, cellulose pulp	743,000	0.00	12,714,276	25	5.84	46
27	31	**Dresser Industries** (Dallas)	Pumps, compressors, petroleum & construction equip.	729,300	20.35	4,111,200	91	17.74	13
28	43	**Textron** (Providence)	Helicopters, aerospace & consumer products	717,000	72.36	4,990,500	74	14.37	19
29	28	**Lockheed** (Burbank, Calif.)	Aircraft	693,000	−7.97	9,535,000	36	7.27	41
30	21	**Archer Daniels Midland** (Decatur, Ill.)	Oilseed meals, vegetable oils, flour, corn byproducts	663,427	−24.89	4,738,767	76	14.00	22
31	30	**Allied-Signal** (Morris Township, N.J.)	Aerospace equipment, chemicals, automotive parts	621,000	23.71	9,115,000	37	6.81	44
32	•	**Engelhard** (Edison, N.J.)	Specialty chemical & metallurgical products	616,751	122.08	2,263,697	165	27.25	5
33	34	**Celanese** (New York)	Fibers, chemical & specialty products	596,000	8.96	3,046,000	132	19.57	10
34	36	**Honeywell** (Minneapolis)	Electronic components, control systems, computers	590,000	9.26	6,624,600	56	8.91	37
35	40	**FMC** (Chicago)	Defense equipment, chemicals	589,218	29.97	3,260,847	120	18.07	12
36	33	**Minnesota Mining & Manufacturing** (St. Paul)	Industrial, electronic, health & graphics products	560,000	−2.78	7,846,000	47	7.14	42
37	32	**Burroughs** (Detroit)	Computers, related products	527,600	−10.83	5,037,700	72	10.47	30
38	37	**Sperry** (New York)	Computer systems, electronics, farm equipment	524,900	46.70	5,687,200	63	9.23	34
39	35	**Deere** (Moline, Ill.)	Farm & industrial equipment	524,000	−4.03	4,060,648	96	12.90	26
40	41	**Phillips Petroleum** (Bartlesville, Okla.)	Liquefied natural gas, chemicals, plastics	509,000	13.62	15,676,000	17	3.25	48
41	•	**Amoco** (Chicago)	Chemicals, plastics	474,000	95.87	27,215,000	11	1.74	49
42	45	**Rockwell International** (Pittsburgh)	Electronics equipment, automotive parts	445,000	8.01	11,337,600	30	3.92	47
43	46	**Int'l Minerals & Chemical** (Northbrook, Ill.)	Fertilizers, carbon products	444,300	9.43	1,627,300	224	27.30	4
44	42	**International Paper** (New York)	Pulp, paper & wood products	440,000	3.77	4,502,000	83	9.77	33
45	•	**Control Data** (Minneapolis)	Computer systems & peripheral equipment	426,300	3.70	3,679,700	106	11.59	29
46	47	**Ingersoll-Rand** (Woodcliff Lake, N.J.)	Drills, compressors, pumps, bearings, tools	414,100	2.55	2,637,421	145	15.70	16
47	38	**Aluminum Co. of America** (Pittsburgh)	Ingot & fabricated aluminum	377,800	−22.36	5,162,700	69	7.32	40
48	•	**Wang Laboratories** (Lowell, Mass.)	Computers, related products	358,600	20.86	2,351,700	161	15.25	17
49	•	**Prime Computer** (Natick, Mass.)	Computers, peripheral equipment, software	358,278	33.01	769,673	366	46.55	1
50	•	**Tektronix** (Beaverton, Ore.)	Electronic instruments, graphic computer equipment	352,571	11.47	1,438,082	245	24.52	6
		TOTALS		**70,618,112**		**690,975,817**			

• Not on last year's list.